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House of Representatives

The House met at 9 a.m. and was called to order by the Speaker pro tempore (Mr. COHEN).

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,

November 6, 2007.

I hereby appoint the Honorable STEVE COHEN to act as Speaker pro tempore on this day.

NANCY PELOSI,

Speaker of the House of Representatives.

MORNING-HOUR DEBATE

The SPEAKER pro tempore. Pursuant to the order of the House of January 4, 2007, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning-hour debate.

The Chair will alternate recognition between the parties, with each party limited to 25 minutes and each Member, other than the majority and minority leaders and the minority whip, limited to 5 minutes, but in no event shall debate continue beyond 9:50 a.m.

The Chair recognizes the gentleman from Illinois (Mr. WELLER) for 5 minutes.

UNITED STATES-PERU FREE TRADE AGREEMENT

Mr. WELLER of Illinois. Good morning, and thank you, Mr. Speaker.

This week, the House will vote on a trade agreement between the United States and Peru. By moving forward on the U.S.-Peru Free Trade Agreement we are signaling that the United States will not retreat from trade and will maintain its commitment to its partners.

I note that my district depends on exports, both farmers, manufacturers,

and workers, and the U.S.-Peru Free Trade Agreement is good for the 11th District of Illinois. This agreement is about economics; it is about the big picture of our hemisphere. We know the numbers.

For the United States, on day one, 80 percent of our exports, consumer and industrial products, become duty free immediately. Illinois' small and medium enterprises will benefit greatly from the tariff elimination, as well as its largest employer in the district I represent, Caterpillar. Union workers who build world-famous Caterpillar machinery will benefit when their products such as off-highway trucks are no longer taxed when they arrive in Peru. These vehicles sell for about \$1 million and face a 12 percent tariff, meaning \$120,000 is added to the price of the vehicle. That goes away on day one, making Caterpillar equipment more competitive with Asian competition, and meaning Caterpillar's union workers will build more machinery for export.

The Peru TPA is good for Illinois farmers. Soybeans become duty free immediately, meaning new markets for our farmers. Before this agreement, Illinois pork and corn were at a competitive disadvantage to Chile and Argentina, who faced lower tariffs than the United States' products going into Peru. Now, our pork producers and corn farmers will be competitive. In fact, farmers' groups say Peru and the Colombia Free Trade Agreements are the best deals ever negotiated on behalf of agriculture. In fact, the U.S.-Peru Free Trade Agreement has the potential to increase farm exports by well over \$700 million a year. We benefit from two-way trade.

But this agreement has broader implications beyond increasing exports for Illinois farmers and manufacturers. Peru is a leader in the hemisphere, and the leadership of President Toledo and now President Garcia is making a dif-

ference. Poverty is being reduced, real jobs are being created, and Peru is becoming an economic success story for the hemisphere. Peru is achieving results at home not by following anti-American rhetoric or by giving in to populist demagoguery, but by sound economics and partnerships with the United States. We congratulate President Garcia on his 8 percent economic growth and poverty reduction, and I note poverty is down to 49 percent this past year. This trade agreement is not the solution to poverty, but it is a tool and it will help.

In 1994, 270,000 jobs in Peru relied on exports; today, more than 1 million rely on exports, thanks to trade granted by Andean Trade Preferences granted by this Congress. Now, this agreement has the potential to create 1 million more formal jobs in Peru because of exports. Clearly, this partnership with Peru will help lift more families out of poverty.

The U.S.-Peru partnership also has broader implications. Coca production is down 70 percent since 1995. Today, Peru is a hemispheric leader in security, helping with peacekeeping in Haiti and is hosting a campus of the International Law Enforcement Academy. Peruvians elected President Garcia to maintain the independence of the country from extremist ideology and to continue on a moderate path.

Now is the time to complete the trade commitment with Peru. Peruvians and people across the hemisphere are waiting to see what the United States is going to do and whether we are going to answer the question, are we going to stand by our commitments to our friends?

I urge my colleagues to pass the Peru Free Trade Agreement this week with a strong bipartisan vote. Let's strengthen the U.S.-Peru partnership that is good for both the United States and is good for Peru.

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.



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